

## FISCAL NOTE

### SB 1126 - HB 1629

March 17, 2003

**SUMMARY OF BILL:** Provides for handgun carry permits issued after the effective date to be good for five years and to expire on the permit holder's birthdate. Under current law, such permits are good for four years. Authorizes the issuance of initial permits valid for three to seven years in order for the renewal of permits to occur on birthdates for ages which are divisible by five. Specifies that permit fees shall be prorated to reflect the appropriate fee for a renewal cycle of greater or less than five years. Provides for a penalty of \$5.00 to be paid by any permit holder whose permit expires and who applies for renewal after 30 days but less than six months from the expiration and a penalty of \$10.00 for applicants whose permits have expired six months or more before applying for renewal.

### ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$20,000 One-Time**

**Increase State Revenues - Not Significant**

**Decrease State Revenues - Exceeds \$100,000 FY07-08 and thereafter**

Estimate assumes:

- a one-time increase in state expenditures of \$20,000 for computer system changes.
- a not significant increase in state revenues from penalties paid by those renewing handgun carry permits after the expiration date.
- a decrease in state revenues from handgun carry permit fees beginning four years after the effective date as a result of permits being issued for five years and renewed for five years instead of four years and the fees of \$115 (\$100 of which is the Department of Safety's share) for an initial permit and \$50 for a renewal. The loss of revenue is estimated to be an average of \$5 per year per permit on initial permits and \$2.50 per year per permit on renewals. Based on an average of 18,000 renewals annually and 16,000 new permits, the decrease in revenues beginning in FY07-08 is estimated to exceed \$100,000.

***NOTE:** If the fees are raised in proportion to the increase in permit periods, the provisions of the bill are estimated to be revenue neutral for the state over a five year permit cycle.*

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director